

# Quality Journey: Making Change in the Health Care System

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Thompson

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# Presentation Outline

- About SSMHC
- Implementing a quality culture
- Learning from the MBNQA process

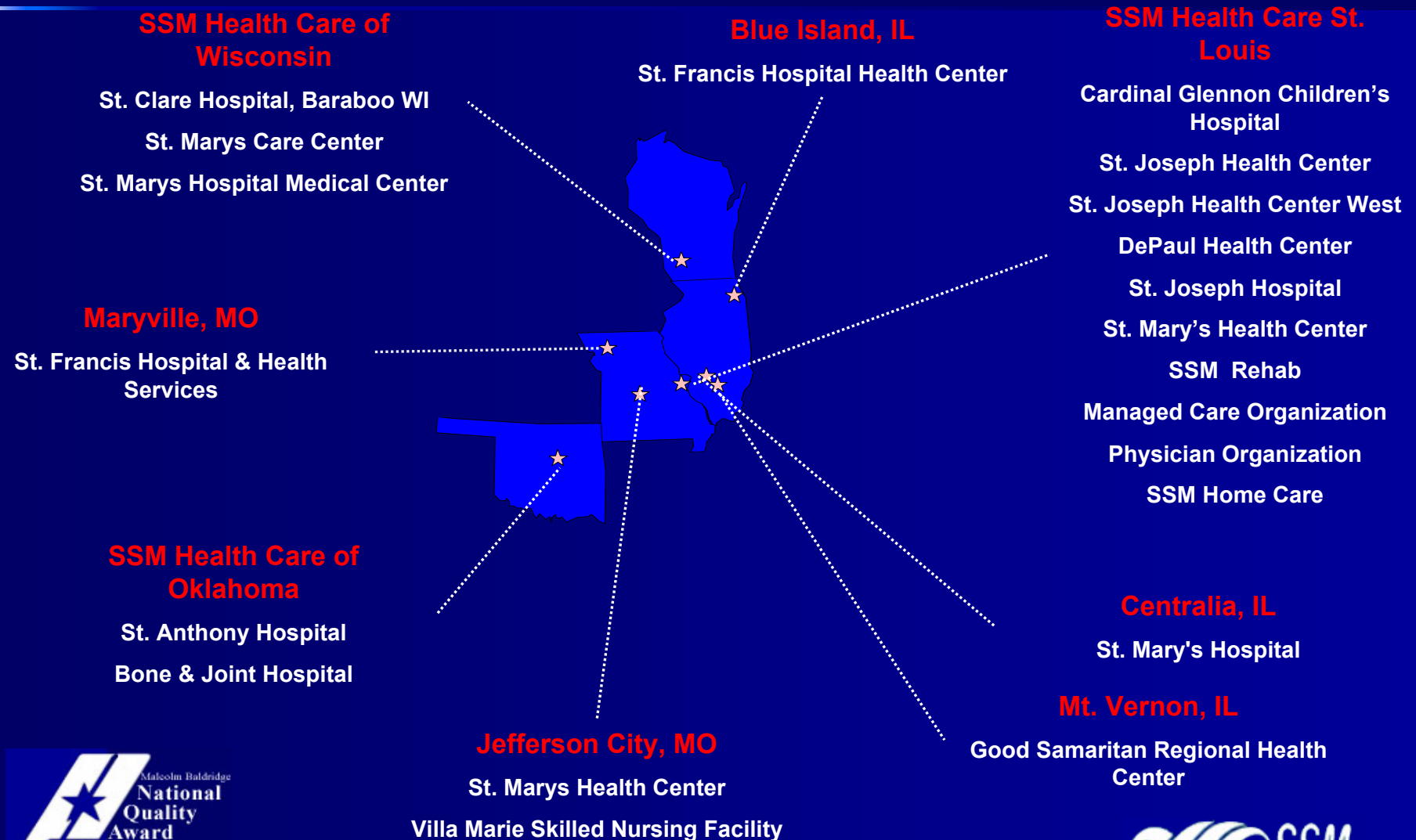


# Up Here, We Go by Results!

A story about a priest and a taxi driver who went to heaven ...



# SSM Health Care Facilities



# SSM Health Care

- 21 hospitals, three nursing homes, physician practices, home care, award-winning information center
- \$2.4 billion in assets
- 23,000+ employees, 5,000 physicians, 5,000 volunteers
- 82% female, 18% minority



# Our Mission

Through our exceptional  
health care services,  
we reveal the  
healing presence of God.



# Our Values

- Compassion
- Respect
- Excellence
- Stewardship
- Community



# Characteristics of Exceptional Health Care

Through our exceptional health care services,  
we reveal the healing presence of God.

Exceptional  
clinical  
outcomes

Unplanned  
Readmission  
Rate

Exceptional  
Patient, Employee  
& Physician  
Satisfaction

Inpatient Loyalty  
Employee Satisfaction  
Physician Satisfaction

Exceptional  
financial  
performance

Operating Margin





# Other SSMHC Initiatives

- Diversity
- Healthy Communities
- Non-violence
- Preservation of the Earth



# Implementing A Quality Culture



“We are, or become, those things which we repeatedly do. Therefore, excellence can become not just an event, but a habit.”

Albert Einstein



1988 “Intrapreneurship”  
1989 “Servant Leadership”





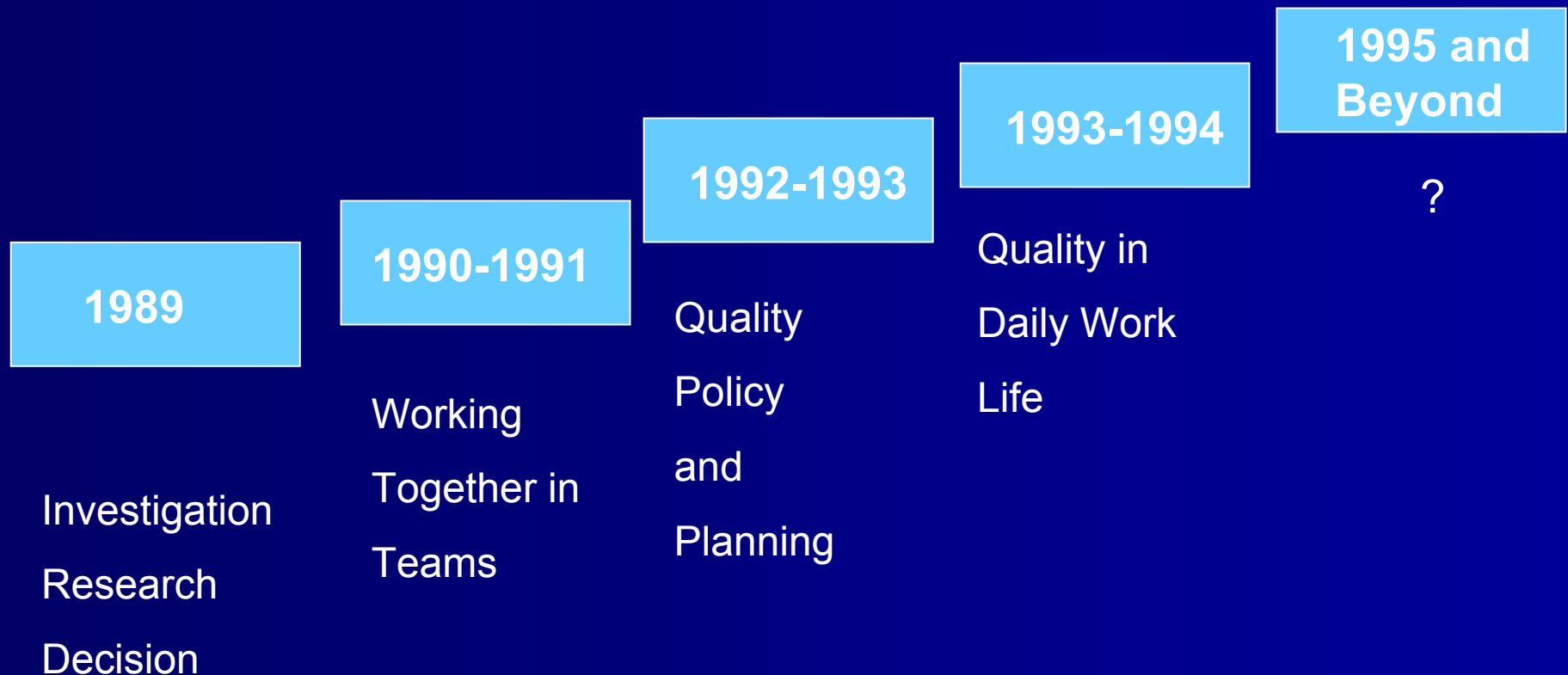
What  
flavor  
this  
month?



Inspiring themes are not enough to ensure the genuine pursuit of excellence.



# Initial CQI Implementation Plan



# First Five Years – Key Accomplishments

- Articulated CQI principles
- A CQI Improvement Model
  - Process Improvement
  - Process (Re)Design
- Strategic and Financial Planning Model
- Training, Training, Training
- Lots of teams



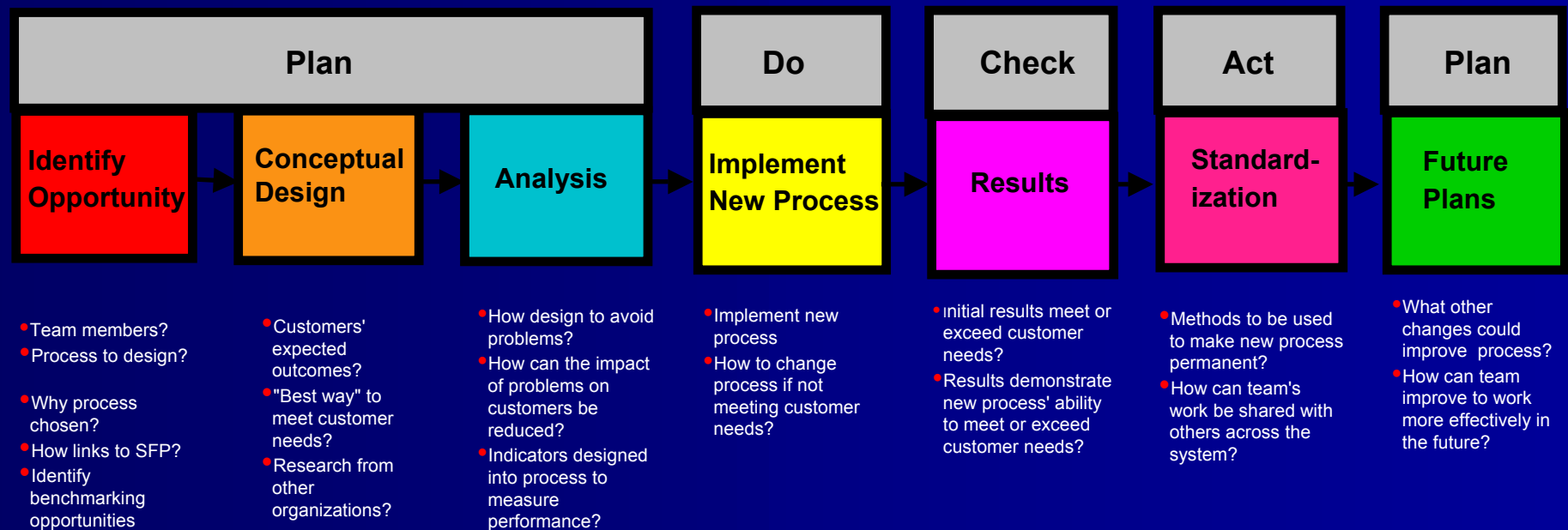


# CQI Principles

- Patients and other customers are our first priority
- Quality is achieved through people
- All work is part of a process
- Decision-making by facts
- Quality requires continuous improvement



# CQI Model – Process Design Approach



# Early Learnings

- Trained more people than needed
- Didn't tie team work to strategic and financial plan
- No urgency about achieving results



# Refined CQI Implementation Plan



# MBNQA



The best way  
to get better  
faster.

# Accomplishments Using Baldrige Criteria

## State Awards

- 1996 – Bone & Joint Hospital, OK  
St. Francis Hospital & Health Services, MO
- 1998 – St. Anthony Hospital, OK
- 1999 – SSM Health Care  
St. Marys Hospital Medical Center, WI
- 2000 – St. Clare Hospital & Health Services
- 2002 – SSM Information Center



# SSM Health Care 2002 MBNQA Recipient



Great things  
come from  
great people.

First Health Care Winner  
Malcolm Baldrige National Quality Award



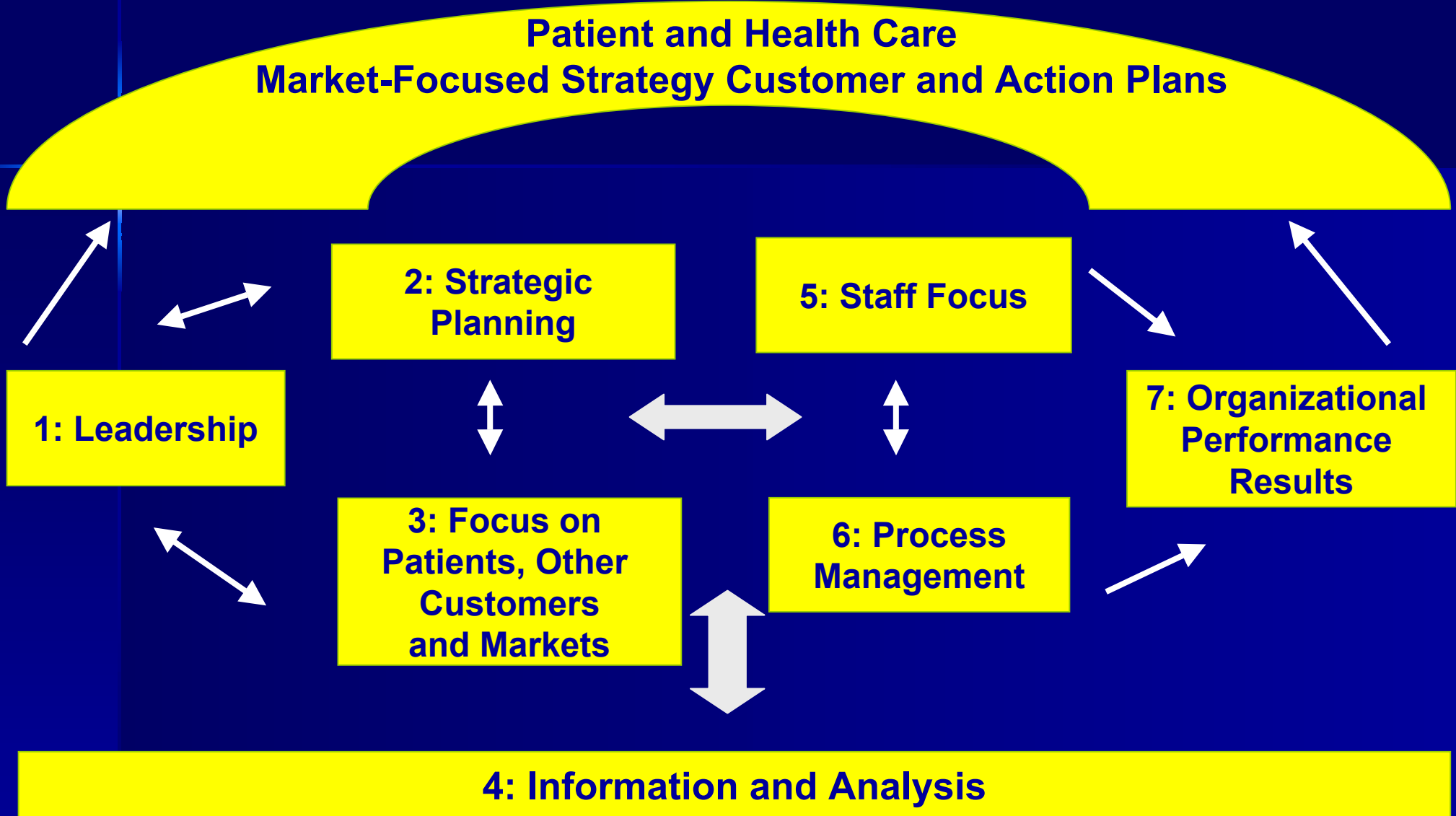
# Learning from the MBNQA Process

- Framework
- Focus
- Discipline





# Framework



# Leadership

- Set, communicate and deploy organizational values, directions.
- Balance the needs of patients and other customers.
- Create an environment for empowerment, innovation and learning.
- Ensure public responsibility above minimum standards.



# Leadership – Learnings

- Clear, concise mission statement and values
- Leadership philosophy and expectations
- Everything is intentional



# SSMHC's Leadership Philosophy and Expectations

- Superior results in clinical, operational and financial performance
- Fact-based decision-making
- Involvement and shared accountability
- Customer focus
- Information sharing
- Developing people



# Strategic Planning

- Strategy development
  - Develop entity goals and action plans that align with system's goals.
- Strategy deployment
  - Deploy goals and action plans throughout facility to all employees.



# Strategic Planning – Learnings

- Minimum data set
- Integrate plan with HR and suppliers
- Formalized deployment
- Alignment

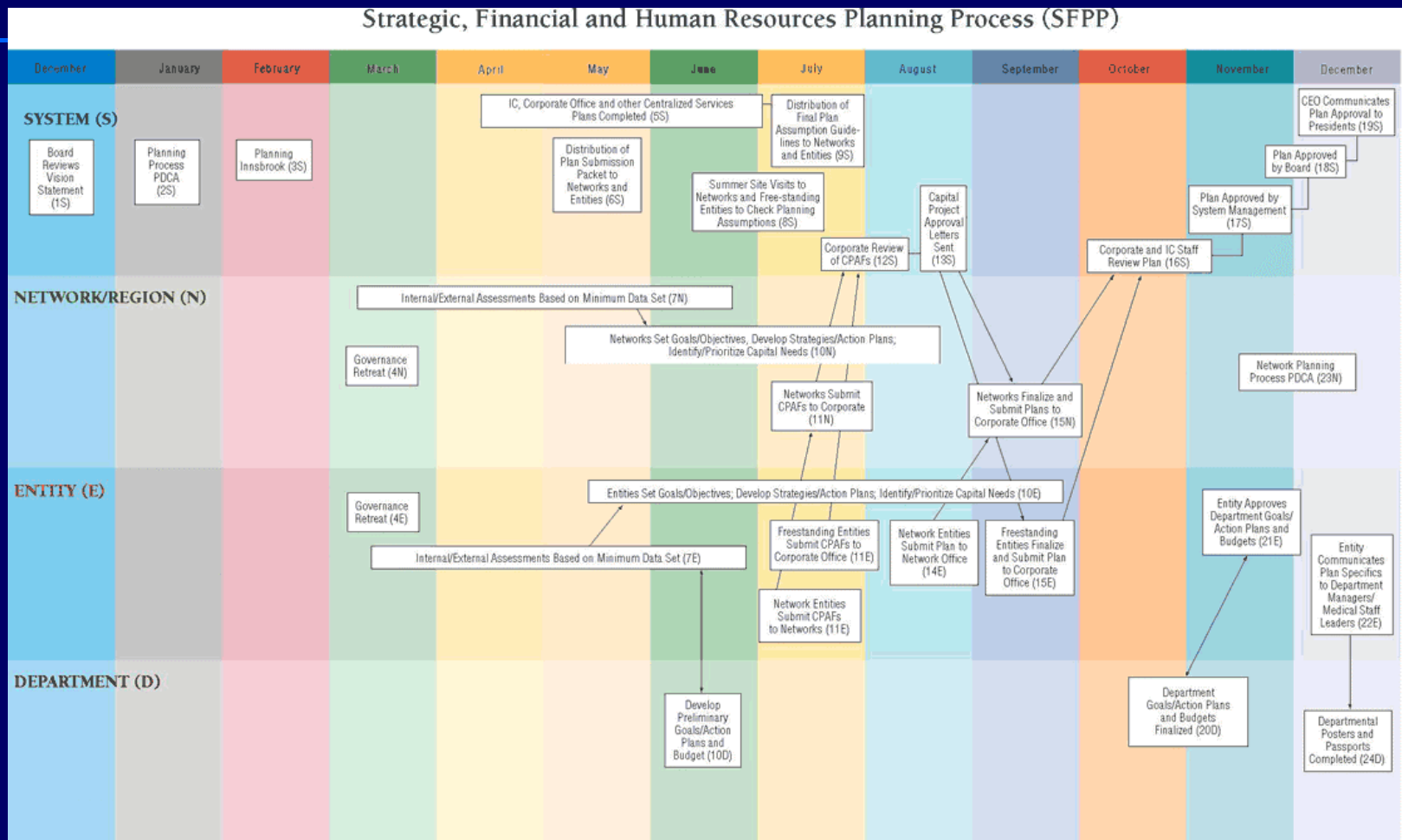


# Strategic Planning

- Strategic, Financial & HR Planning Process
  - Develop entity goals and action plans that align with system's goals.
  - Deploy goals and action plans throughout facility to all employees.
  - Use comparative and benchmark data to set goals.



# Strategic, Financial and Human Resources Planning Process





# Internal and External Assessments: Minimum Data Set

- Internal Data
  - Medical staff analysis
  - Product line analysis
  - Physical plant/technology analysis
  - Human Resources analysis
  - Financial analysis
  - Clinical quality



# Internal and External Assessments: Minimum Data Set

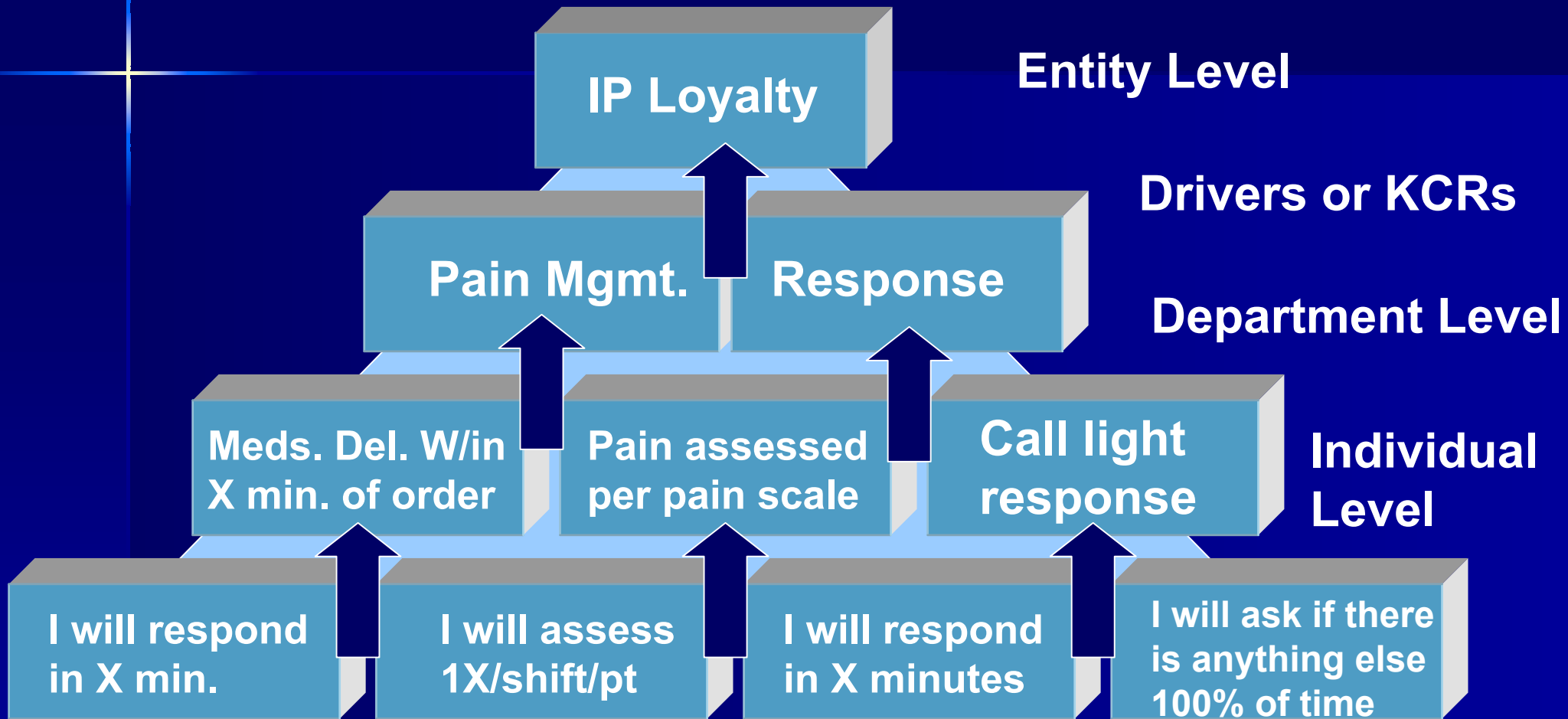
- External Data
  - Consumer information analysis
  - Demographic/socioeconomic analysis
  - Competitor analysis
  - Emerging technologies
  - Payor analysis
  - Public policy/legislative/accreditation analysis



# Strategy Deployment & Alignment



# Plan Deployment



# Passport



# Passport

- Deployment Tool
  - SSMHC's mission and vision
  - Entity's goals and objectives
  - Department's goals
  - Employee's goals
- Links to evaluation



# Patients, Other Customers and Markets

- Understand requirements, expectations and preferences of all customers.
- Monitor and analyze satisfaction data.
- Systematically build relationships with customers.



# Patients, Other Customers and Markets – Learnings

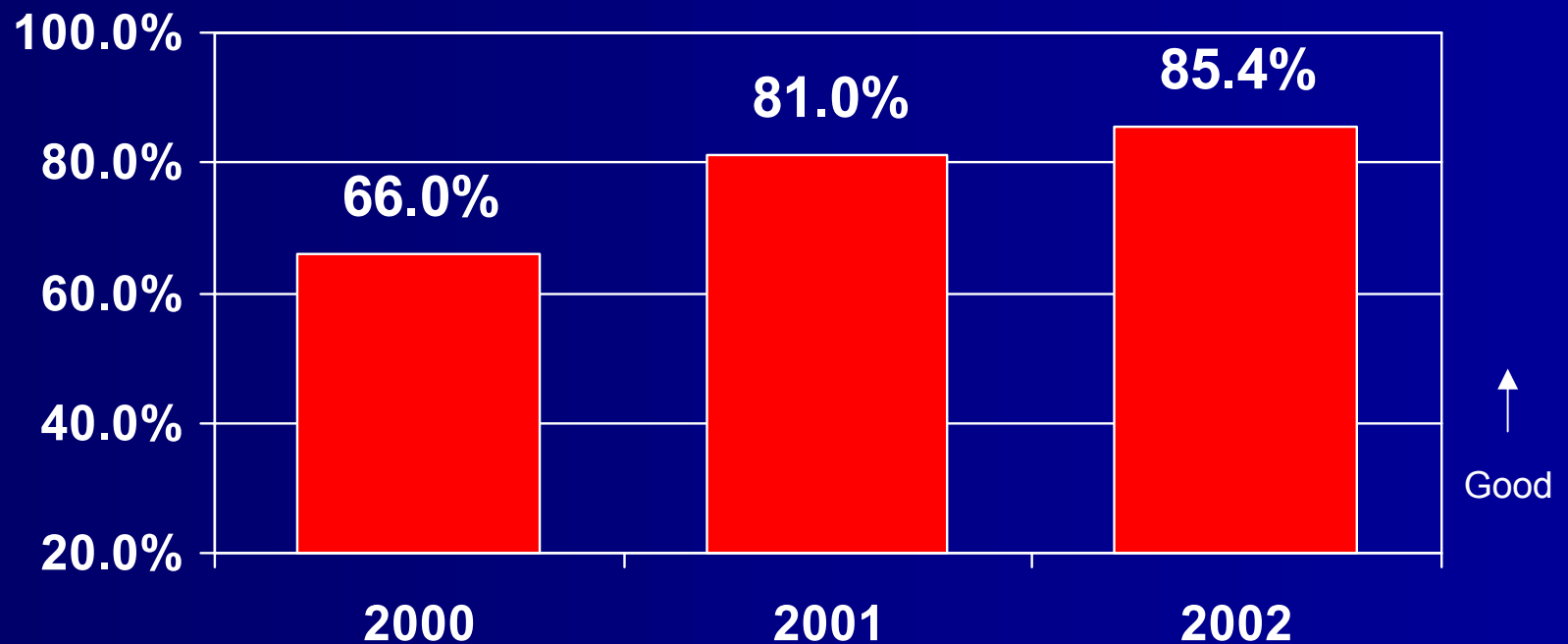
- Clarity around definition of customer
- Customer segmentation
- Better use of listening and learning posts
- Standardized complaint management process





# Key Customer Requirements

## Nurse Responds to Patients in Reasonable Time

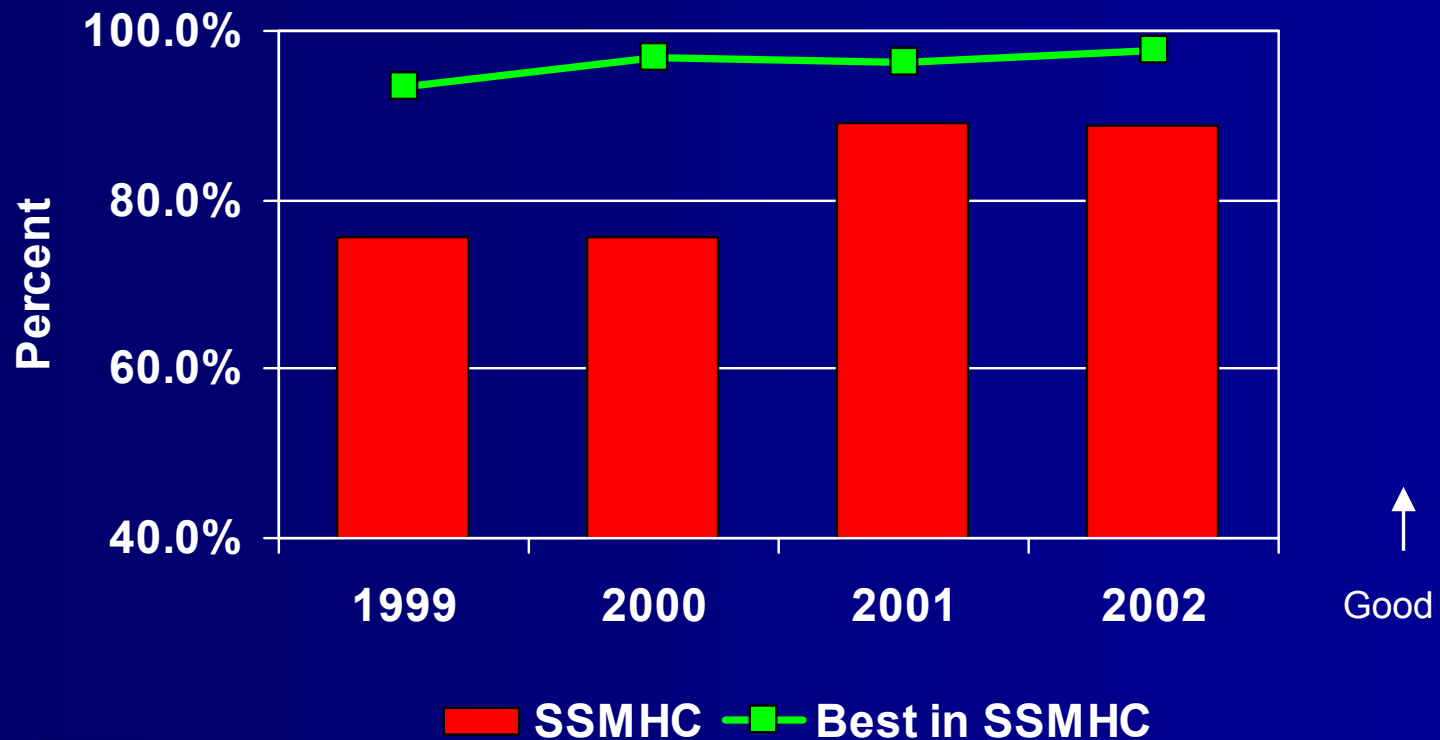


Source: Physician Satisfaction Survey

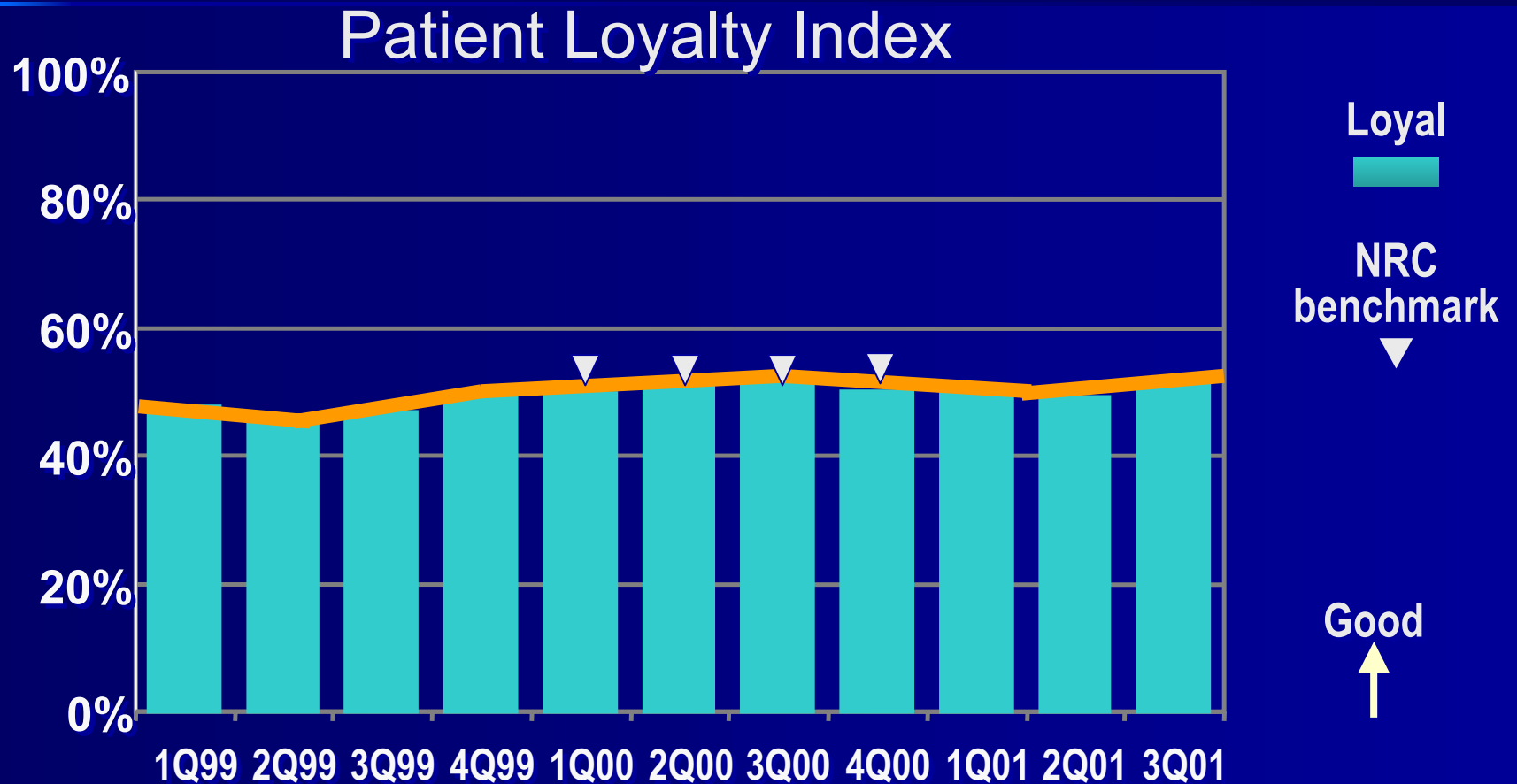


# Key Customer Requirements

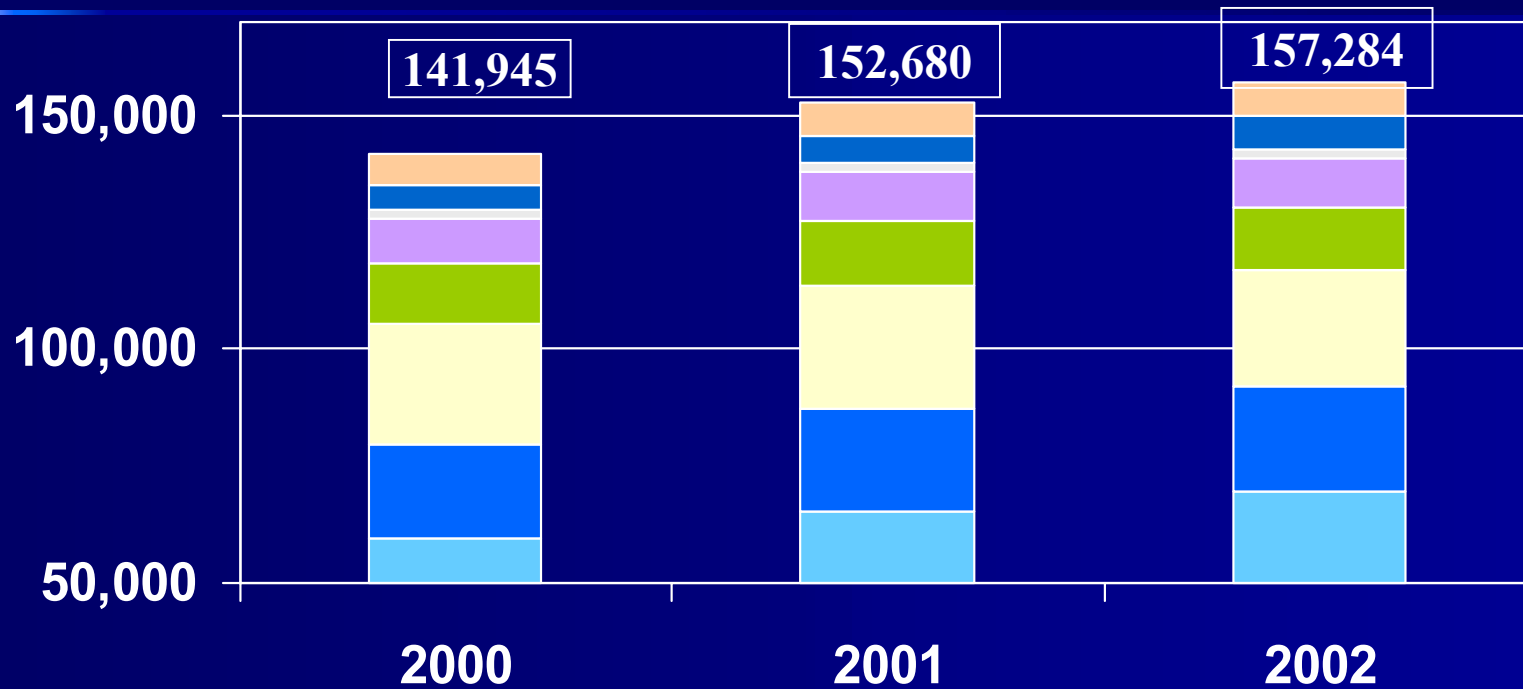
## ED Total Wait Time Reasonable



# Inpatient Satisfaction



# SSMHC Growth in Admissions 2000-2002



- |                       |                     |                          |
|-----------------------|---------------------|--------------------------|
| St. Louis Network     | Wisconsin Network   | Oklahoma Network         |
| St Francis Hosp. & HC | St Mary's HC JC     | St. Francis Hosp. Mryvle |
| Good Samaritan HC     | St Mary's Centralia |                          |



# Information and Analysis

- Data availability
  - Closely monitor performance results.
  - Establish effectiveness measures.
  - Look for correlations.
  - Use benchmarks/comparative data.
- Hardware and software quality



# Information and Analysis – Learnings

- Balanced set of measures
- Alignment of indicators
- Use of in-process measures
- Comparative data
- Correlation between key indicators

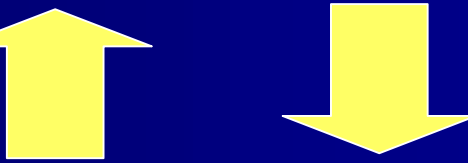


# Cascading Indicators

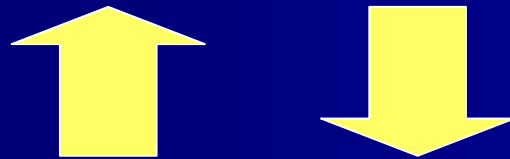
Performance  
Indicators

Exceptional  
Results

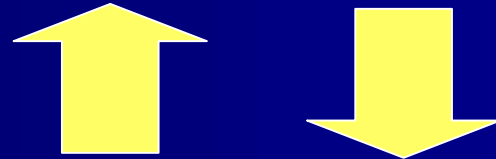
System



Network



Entity

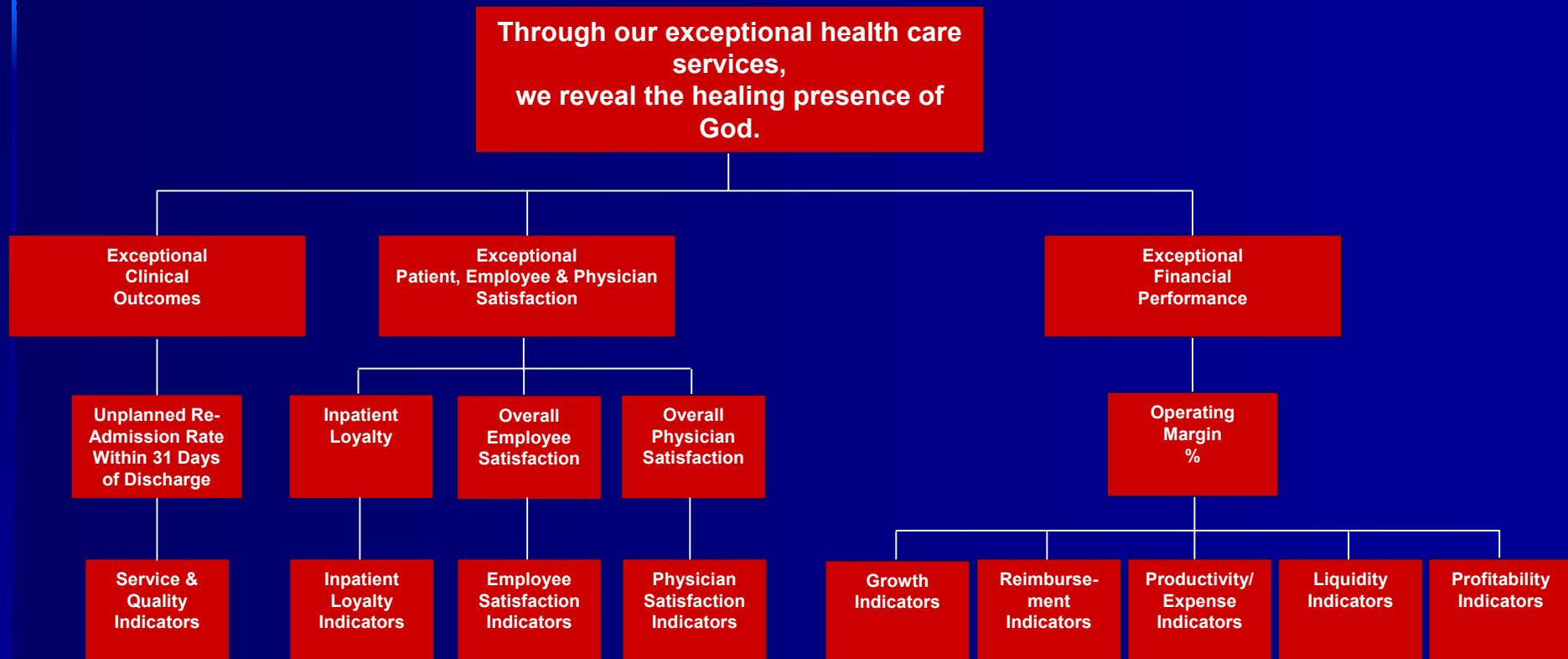


Department



# Performance Management Process

## Alignment of Indicators





# Performance Analysis – System-Level Indicators

## Consolidated Operations

Profitability	Operating Margin %	1.5%	2.4%	
Liquidity	Unrestricted Days Cash on Hand	182	209	

## Hospital Operations

Growth	Acute Admissions	137,656	136,884	
Reimbursement	Patient Revenue Per APD	\$1,410	\$1,336	
Productivity/Cost	Operating Expense Per APD	\$1,402	\$1,321	
Profitability	Operating Margin %	3.7%	4.4%	
Clinical	31 Day Acute Readmission Rate	4.5%	4.2%	
Service & Quality	Inpatient Loyalty Index	49.5%	52.9%	
Satisfaction	Employee Satisfaction Indicator	74.1%	71.8%	
Satisfaction	Physician Satisfaction Indicator	77.6%	73.6%	

## Skilled Nursing Home

Profitability	Operating Margin %	1.4%	-1.9%	
Service & Quality	Daily Physical Restraints Prevalence	3.9%	5.1%	




## Home Health

Profitability	Operating Margin %	12.0%	8.4%	
Service & Quality	Homecare Patient Loyalty Index	56.9%	64.0%	

## Physician

Profitability	Net Revenue Per Physician	\$35,074	\$33,739	
Productivity	Practice Direct Operating Cost %	66.6%	68.4%	

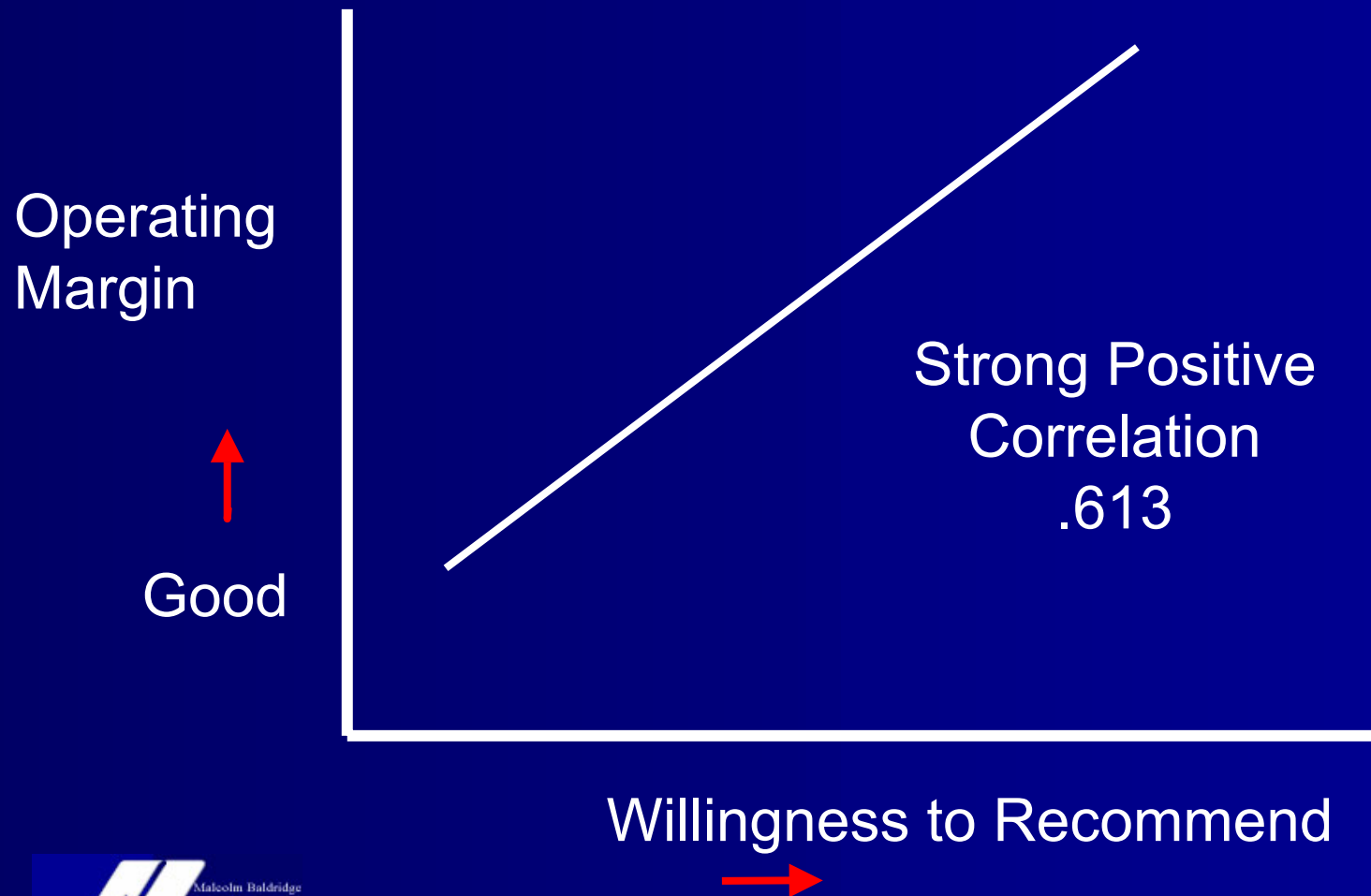


 > 5% favorable    Within 5% of plan    > 5% unfavorable

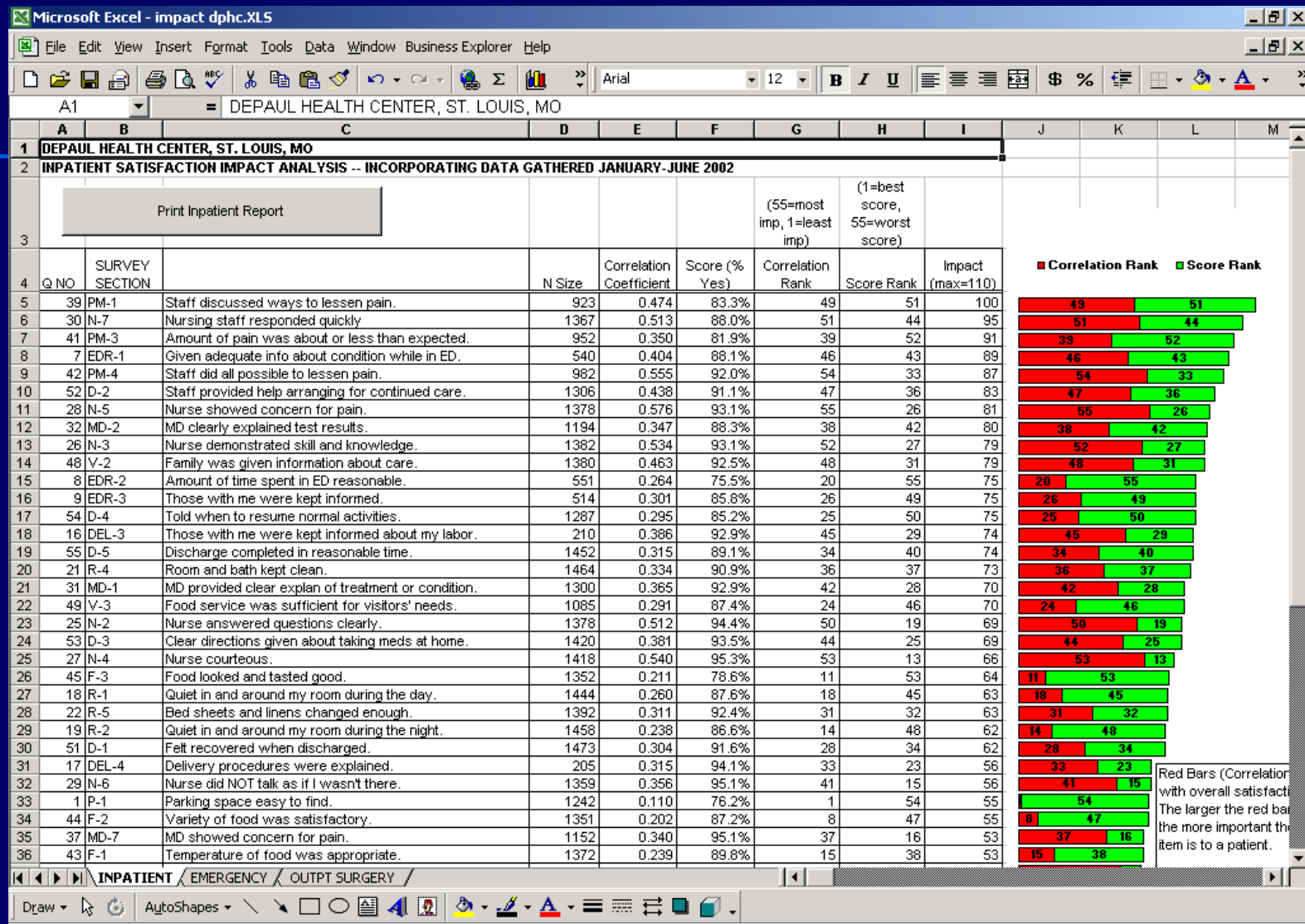
# Performance Indicator Report

	Oklahoma Network	Winn-Dixie Network	St. Louis Network	Grand Samaritan Regional Health Center	Freestanding St Francis Hospital & Health Center - Blue Island	St Francis Hospital & Health Services - Maryville	St Mary's Health Center - Jefferson City	SSM Total
<b>Growth Indicators</b>								
Acute Admissions*								
Acute Patient Days								
Acute LOS								
Acute CMI								
Skilled Admissions								
Skilled Patient Days								
Skilled LOS								
Inpatient Surgeries								
Outpatient Surgeries								
Outpatient Visits								
ER Visits								
Births								
<b>Reimbursement Indicators</b>								
Reimbursement %								
Patient Revenue per APD								
Bad Debt & Charity %								
Medicare Admissions - Traditional - Med/Surg								
Medicare CMI - Traditional - Med/Surg								
Medicare LOS - Traditional - Med/Surg								
Medicare Admissions - Managed - Med/Surg								
Medicare CMI - Managed - Med/Surg								
Medicare LOS - Managed - Med/Surg								
<b>Productivity/Expense Indicators</b>								
Hospital FTE								
Contract FTE								
Total FTE (hospital + contract + allocated)								
Total Paid Hours / APD								
Average Hourly Rate								
Overtime %								
Compensation per APD								
Supply Expense per APD								
Operating Expense per APD								
<b>Liquidity Indicators</b>								
Net Days in Accounts Receivable								
Unrestricted Days Cash On Hand								
<b>Service and Quality Indicators</b>								
Inpatient Loyalty Index**								
ER Patient Loyalty Index								
OP Surgery Loyalty Index								
31-day Acute Readmission Rate**								
Unscheduled Return to ER								
Unscheduled Return to OR								
<b>Employee Satisfaction Indicators</b>								
Employee Satisfaction Indicator**								
Physician Satisfaction Indicator**								
<b>Profitability Indicators</b>								
Operating Revenue per AEA								
Operating Expense per AEA								
Operating Margin %								
Operating EBITDA %								

# Correlations



# Impact Analysis



# Staff Focus

- Develop HR plan.
- Motivate staff to contribute to full potential, to develop and learn, to be innovative and creative.
- Provide education and training that supports goals and action plans.



# Staff Focus – Learnings

- Integration with Strategic Planning
  - Preparing the organization to address human resource issues
- Evaluation of effectiveness
  - Recruitment
  - Hiring
  - Training



# Challenge: Nursing Shortage

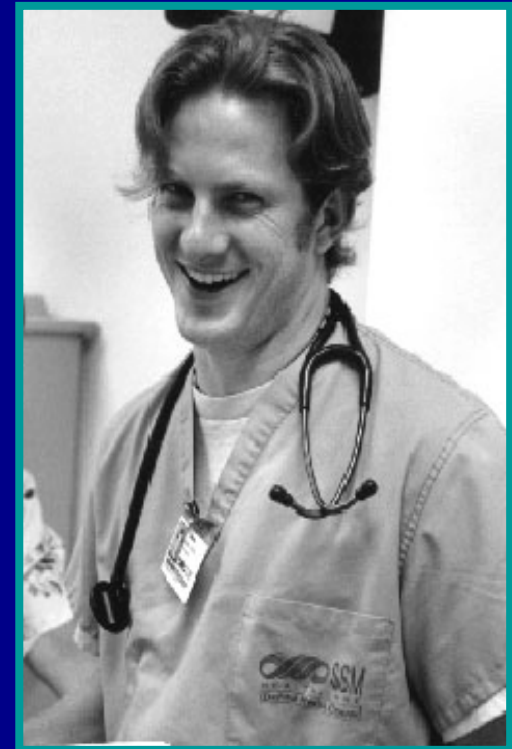
By 2010, it's estimated there will be a shortage of 1 million nurses.





# Response: Shared Accountability

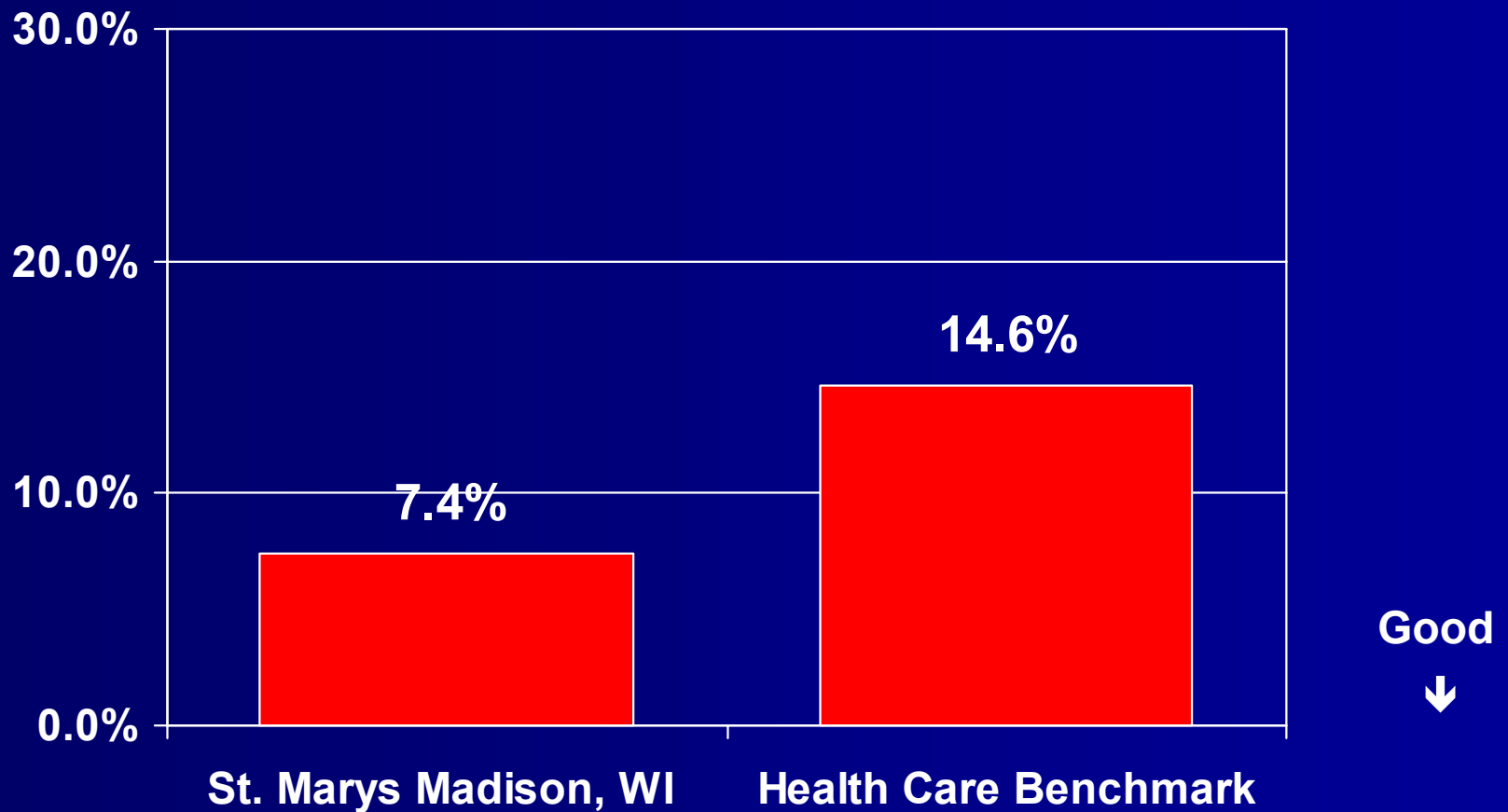
- Places authority with nurses



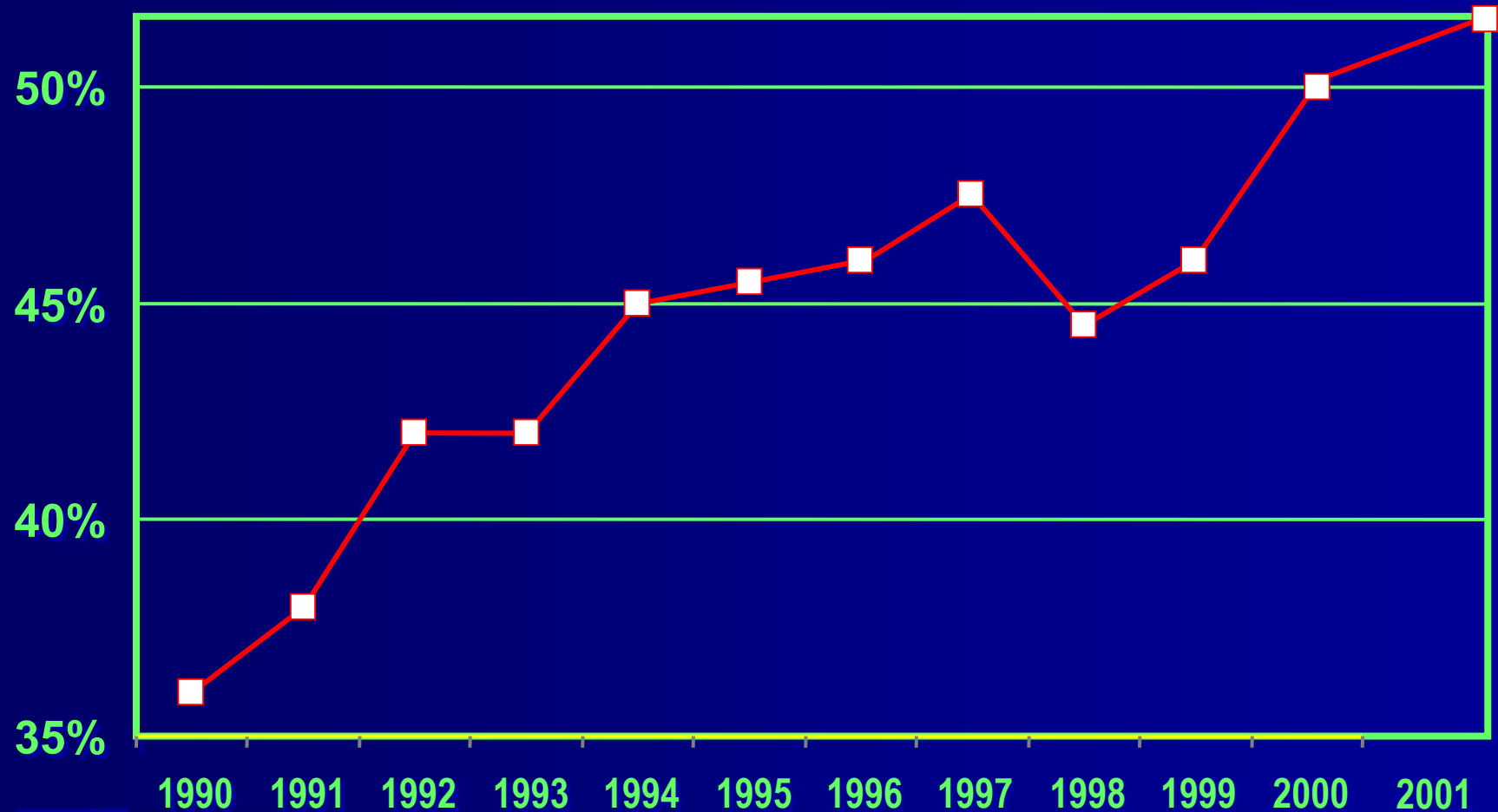


# Shared Accountability

## Nursing Turnover – August 2002



# Women in Professional Management Positions

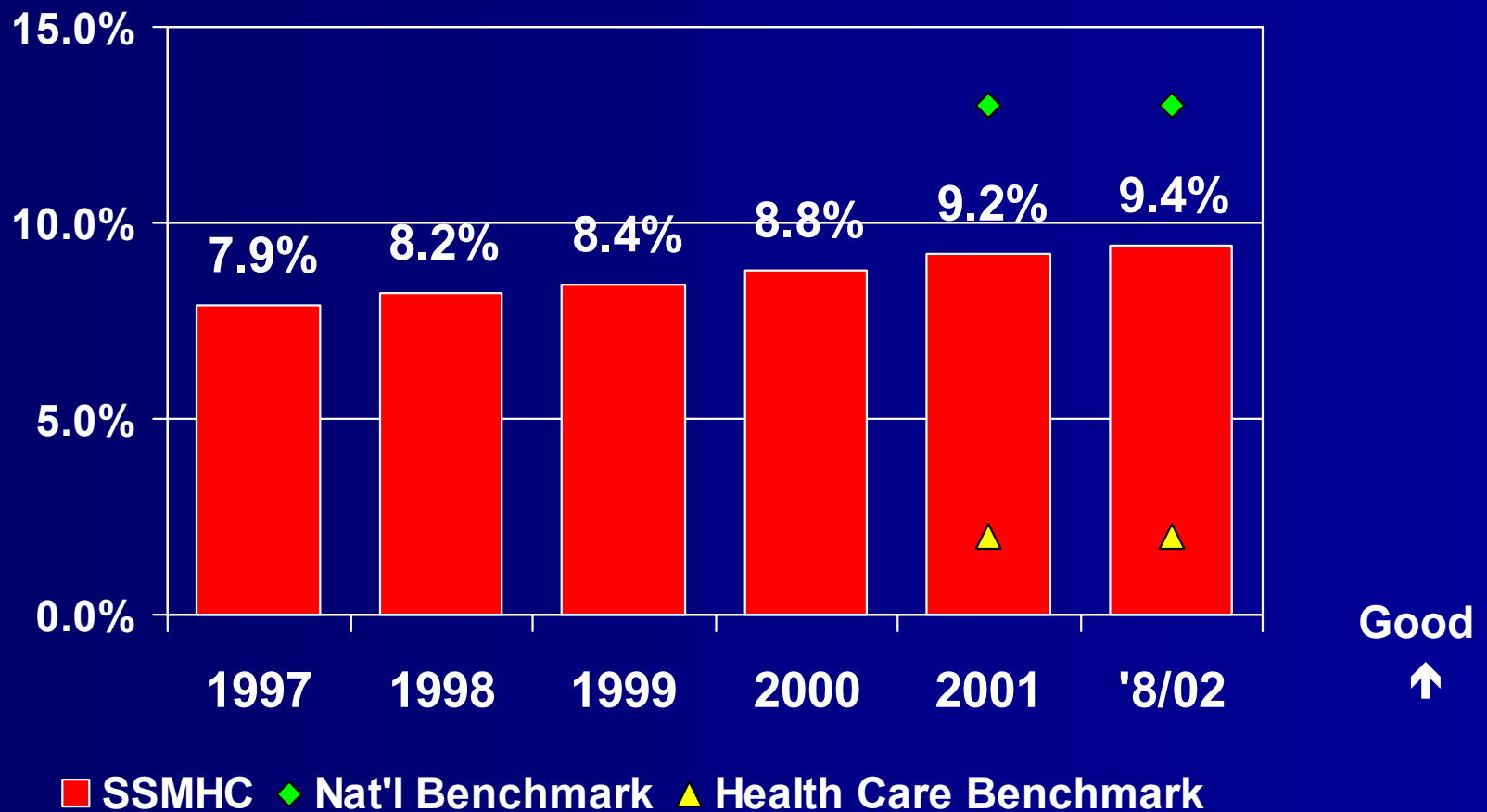


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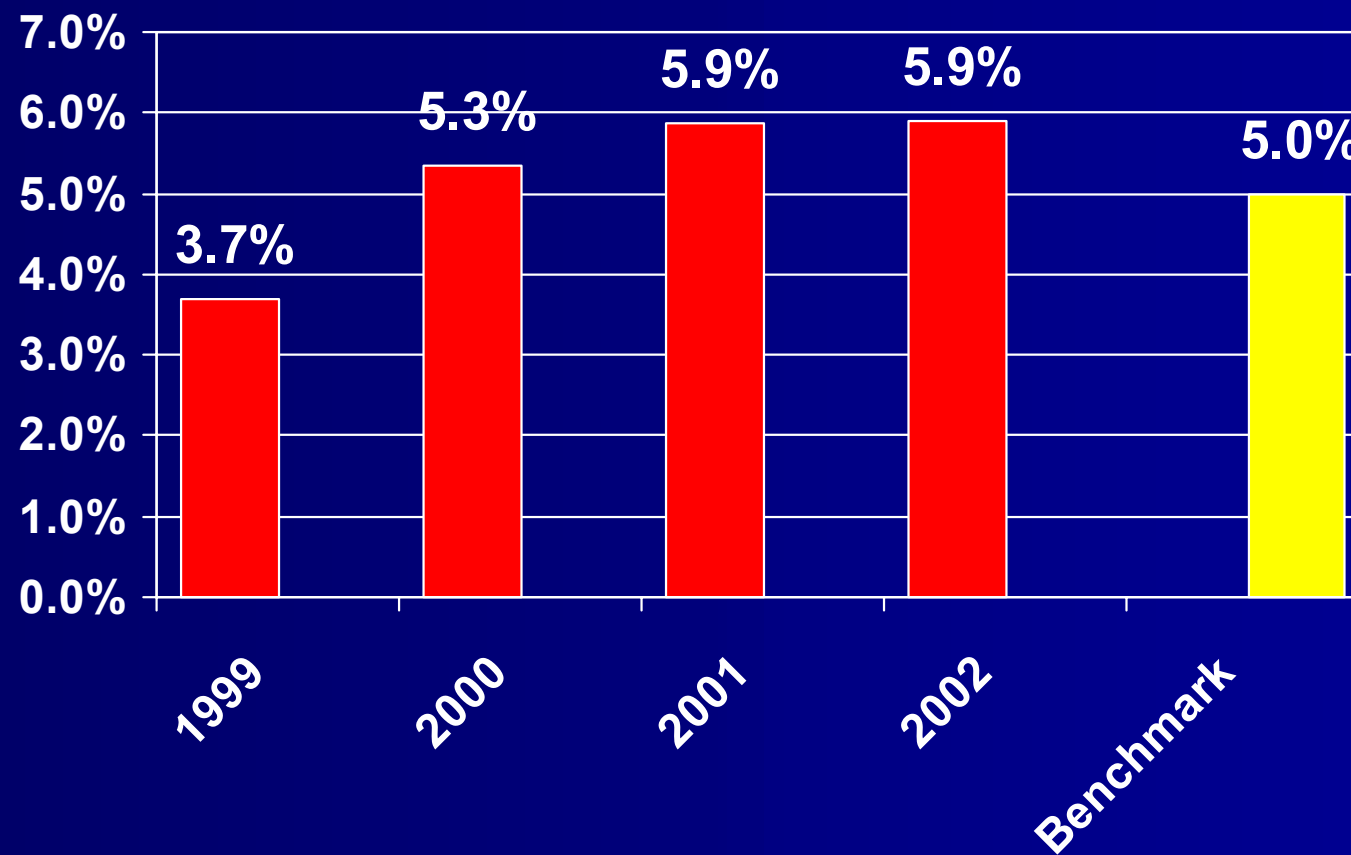
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# Minorities in Professional and Managerial Positions



# Minority Growth

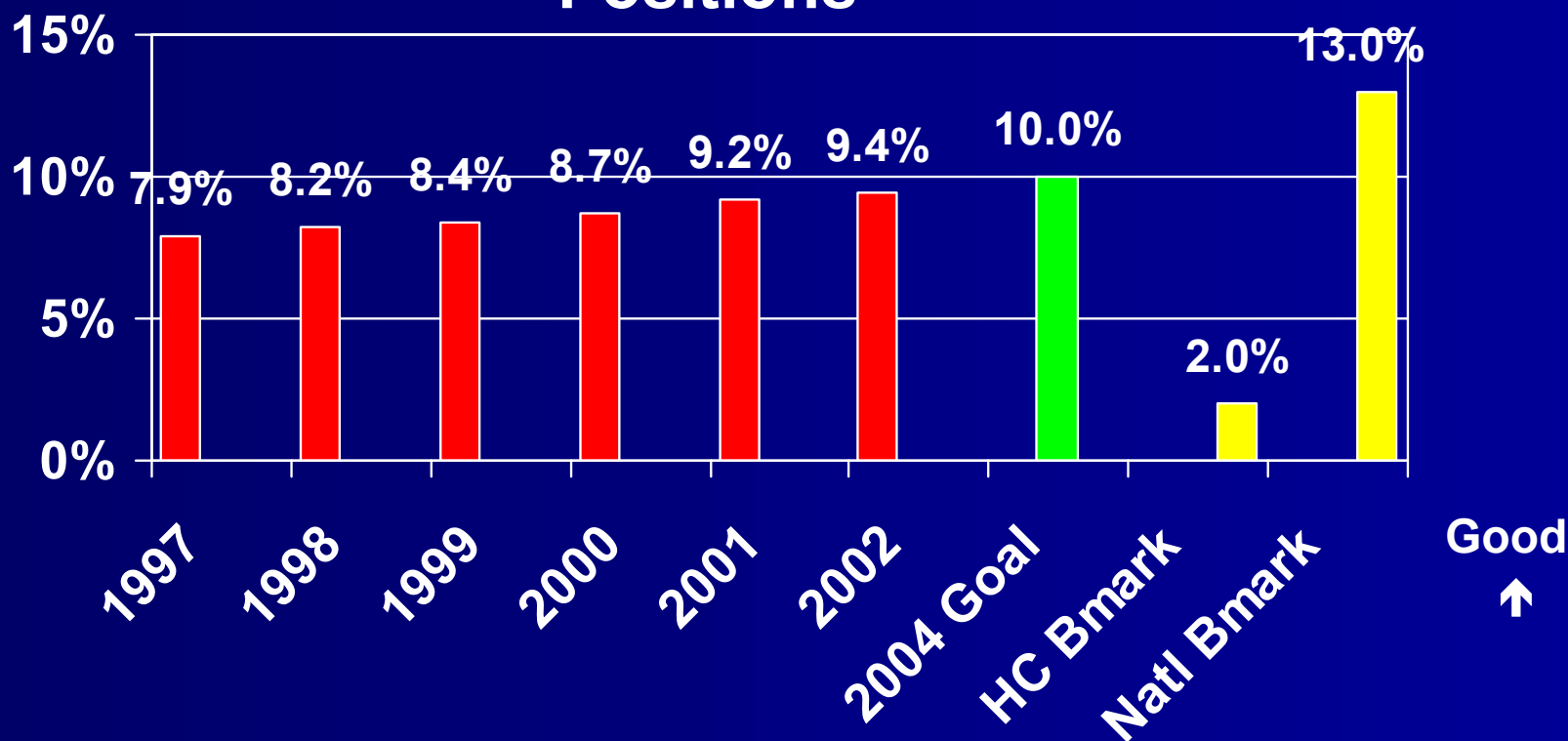


Good  
↑



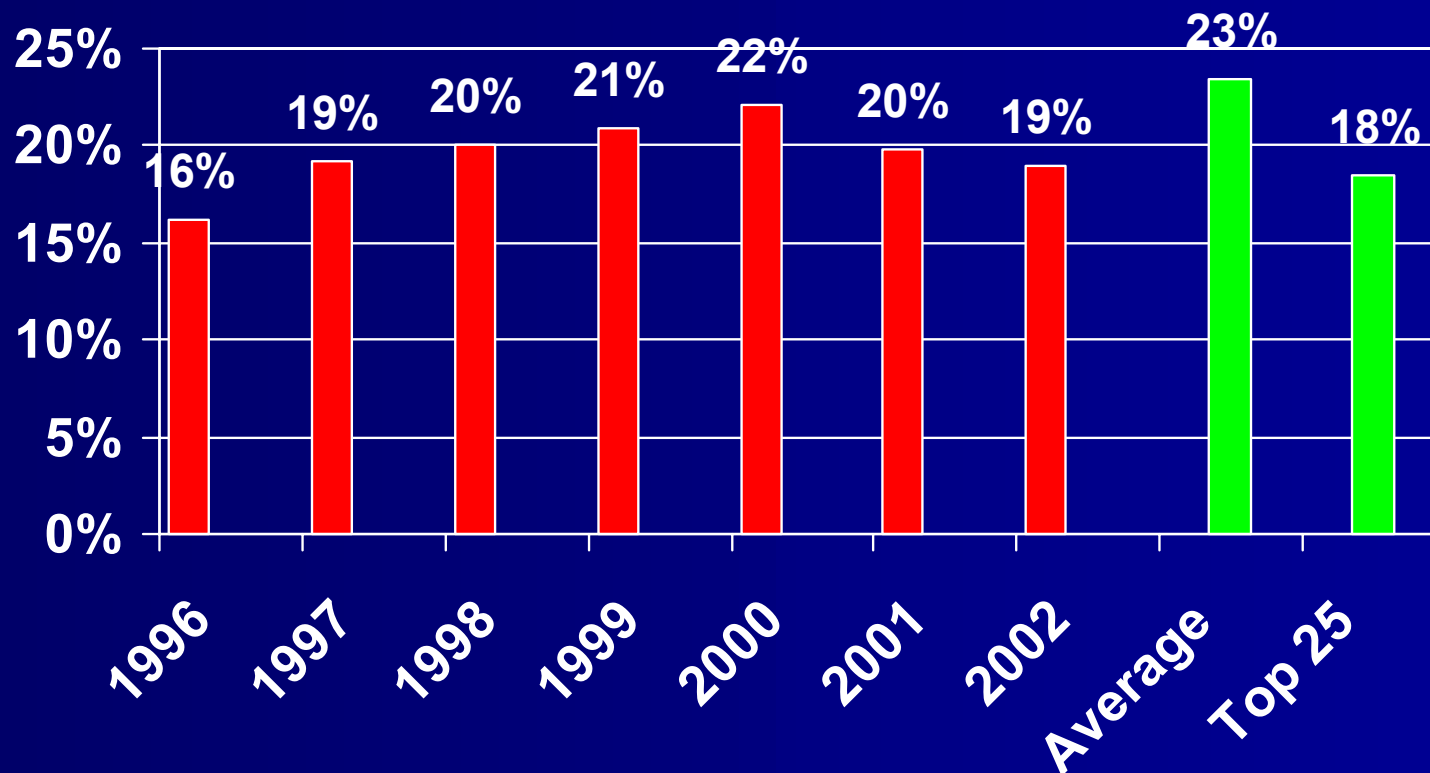
# Diversity

## Professional & Managerial Positions



# Systemwide Employee Turnover

## Part-time / Full-time Only



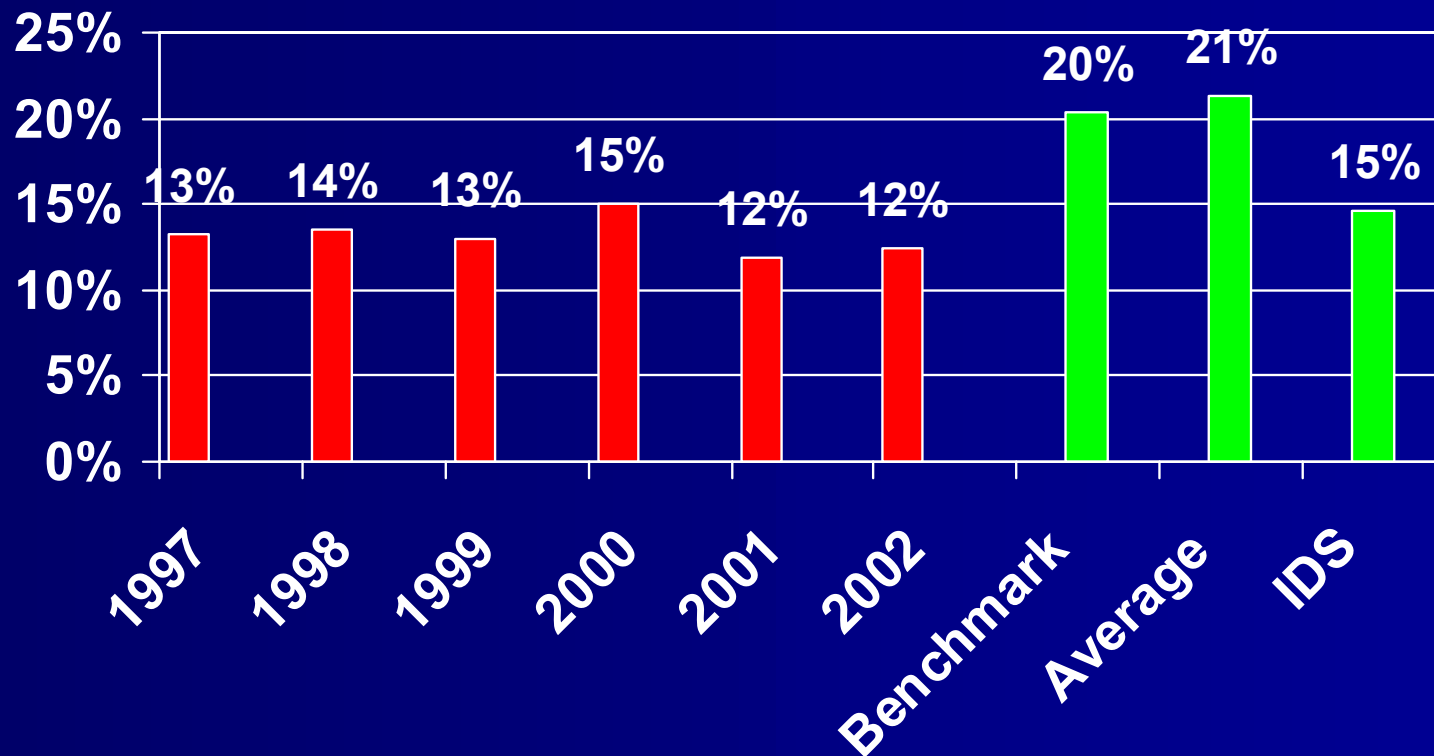
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# Systemwide Nursing Turnover

## Part-time / Full-time Only



# Process Management

- Three kinds of processes
  - Health care service
  - Business (key to growth, support strategic initiatives)
  - Support (support your business)



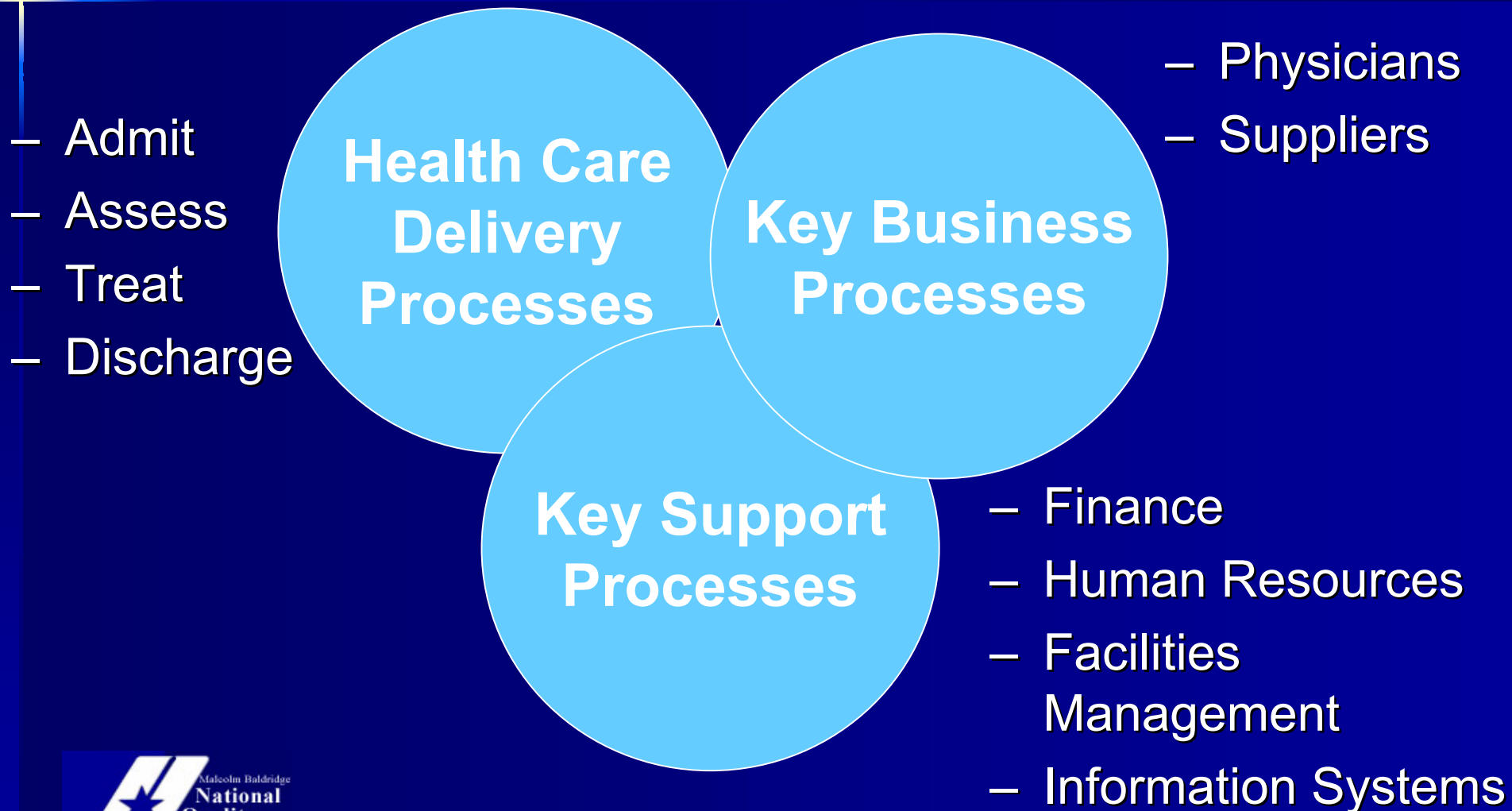


# Process Management – Learnings

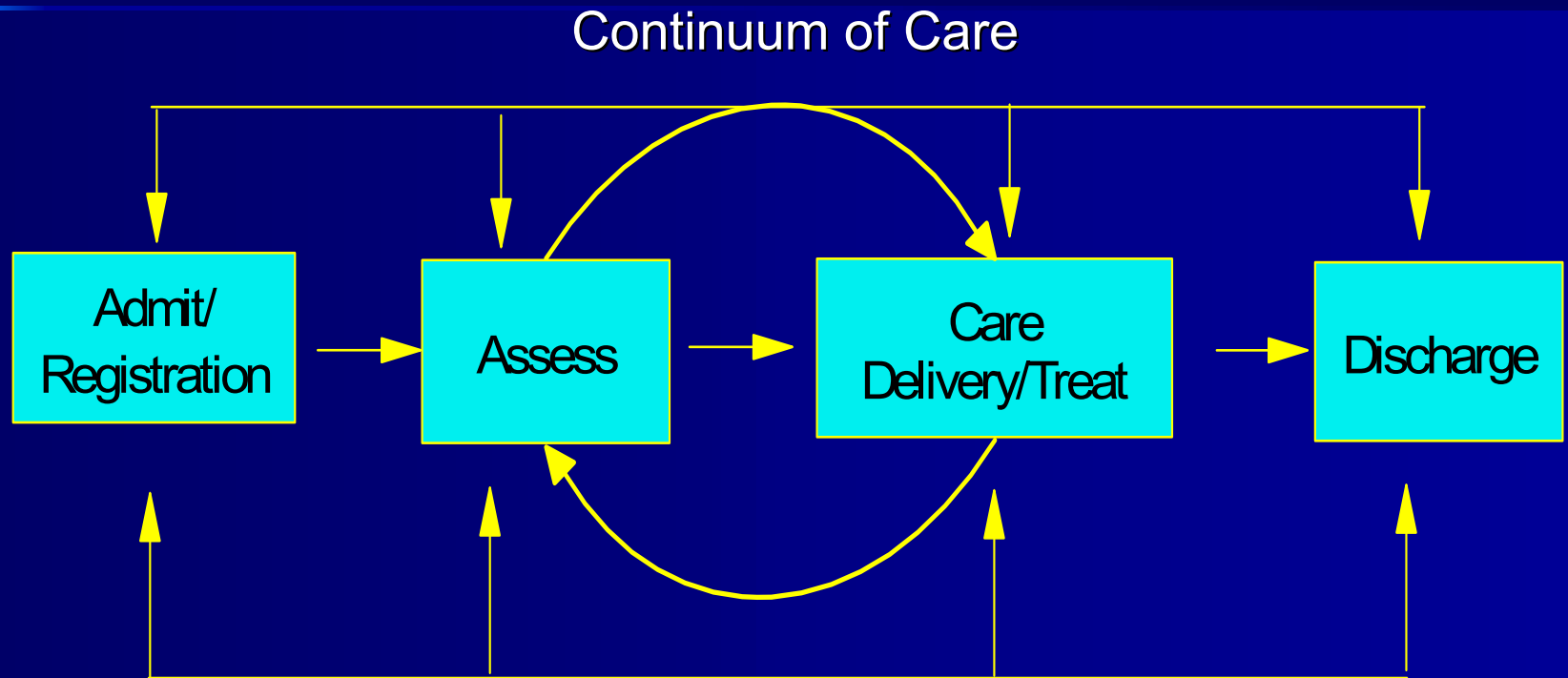
- Importance of clearly identifying your key health care business and support processes
- Better involvement of suppliers in improving key processes
- Clearly link key processes to customer expectations



# SSMHC Process Management Framework



# Health Care Process Care Delivery Model



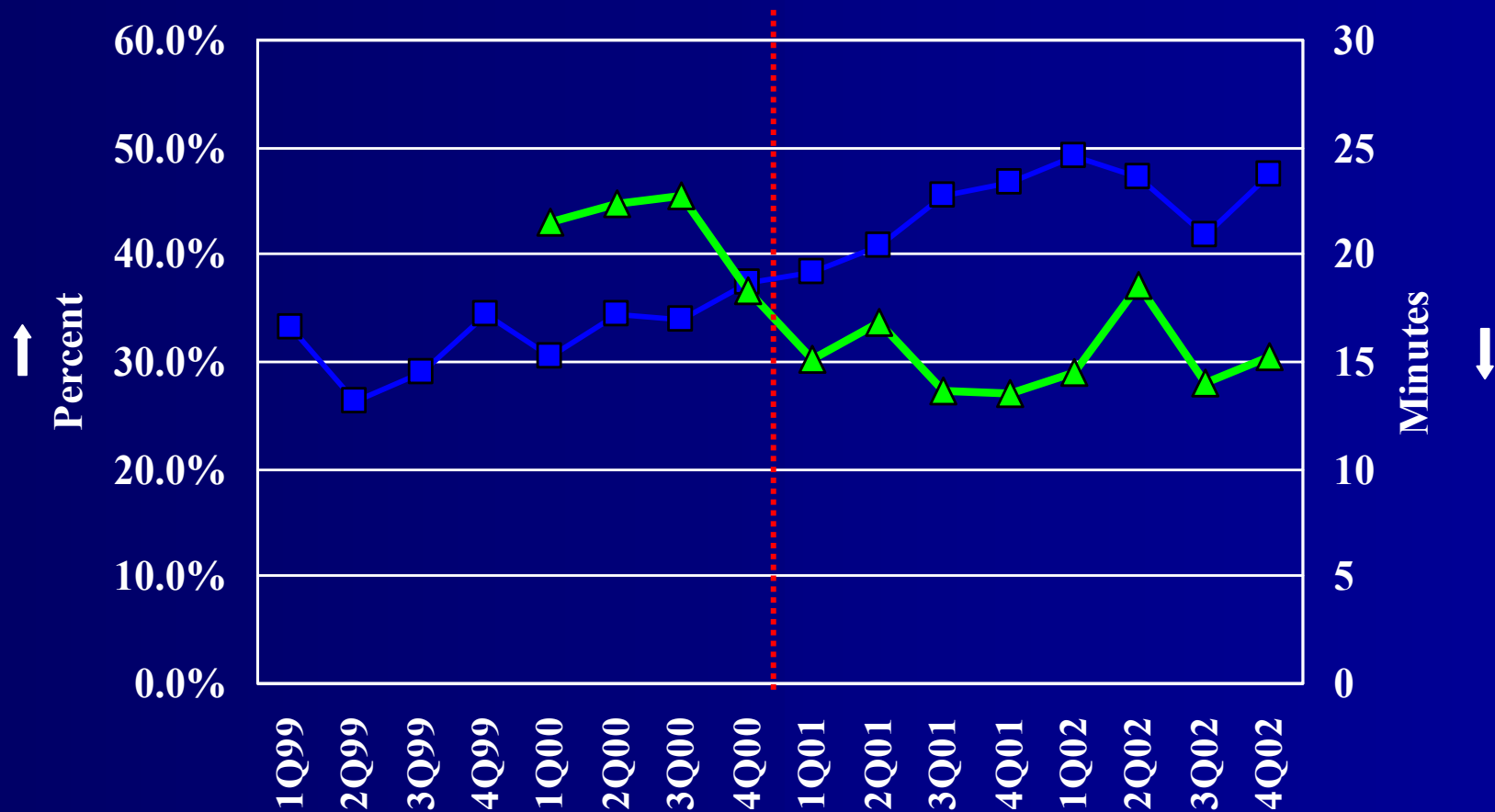
Educate patients and family & ensure patient rights

# Health Care Process Examples

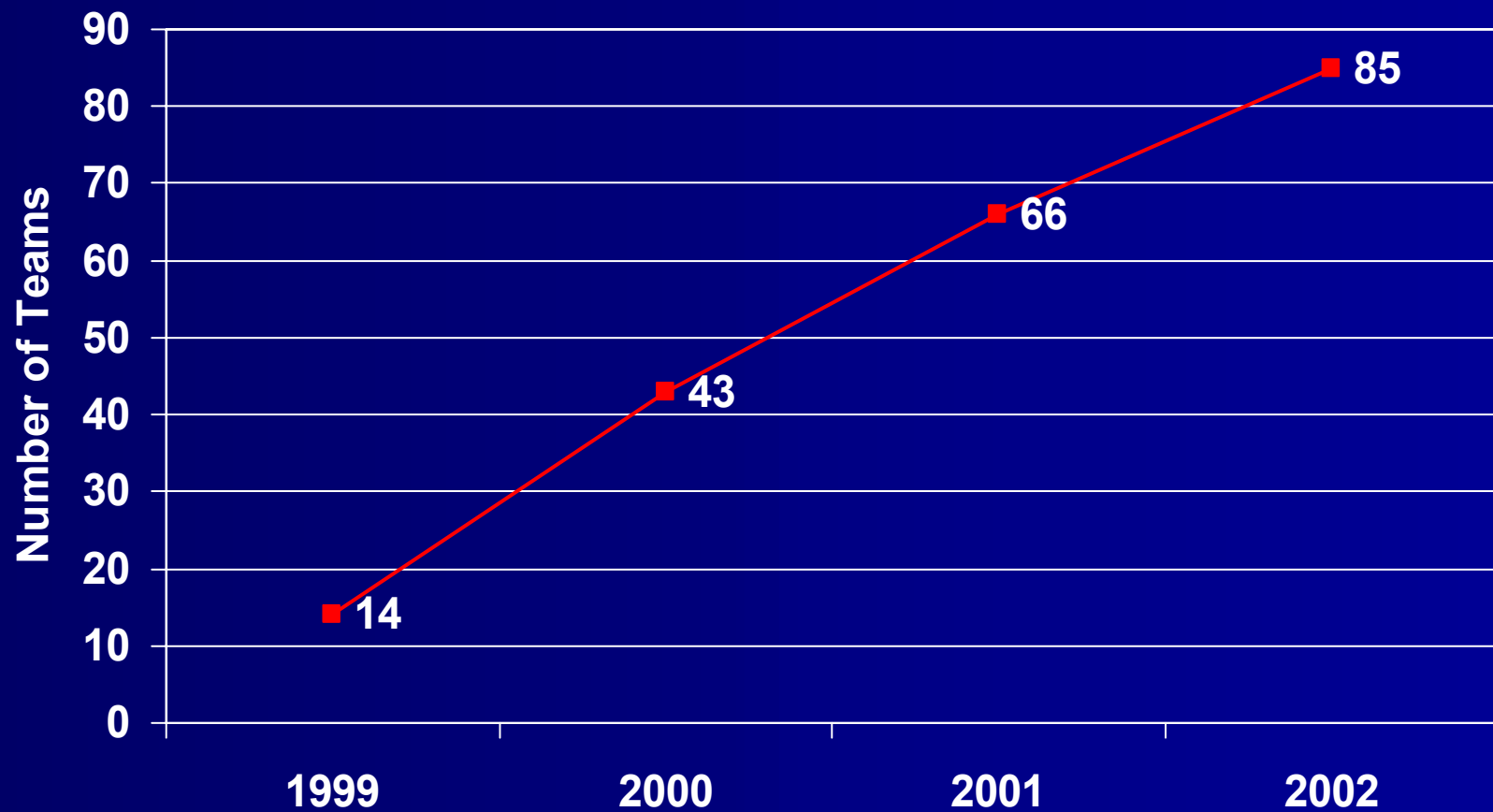
- Care Delivery/Treatment
  - Lab: Accuracy, Timeliness
    - Repeat Rates, TAT, Satisfaction Survey
  - Pharmacy: Accuracy
    - Dangerous Abbreviations, ADE
  - Surgical Service: Competence, Communication
    - SS Infection Rate, Periop Mortality, Family member communication



# ED Loyalty at St. Joseph Health Center, St. Charles

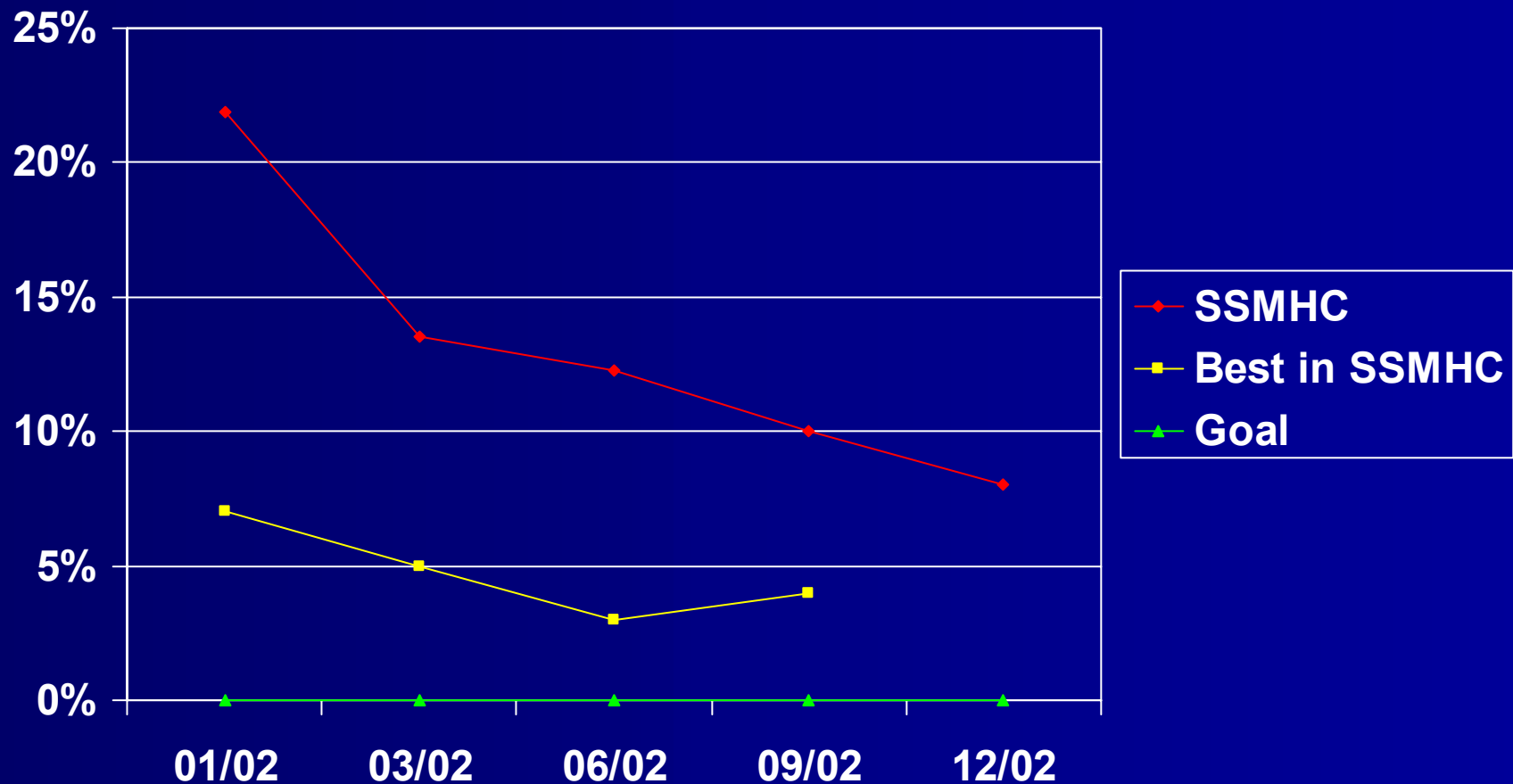


# Clinical Collaborative Participation



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# Achieving Exceptional Safety – % of Orders With Dangerous Abbreviations



# Physician Connectivity

Access Anytime, Anywhere...



**SSM Connect**



E-mail Access



SSM Physician Portal



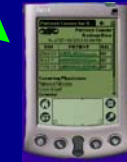
Lotus Notes Access



Fax Machine



Pager



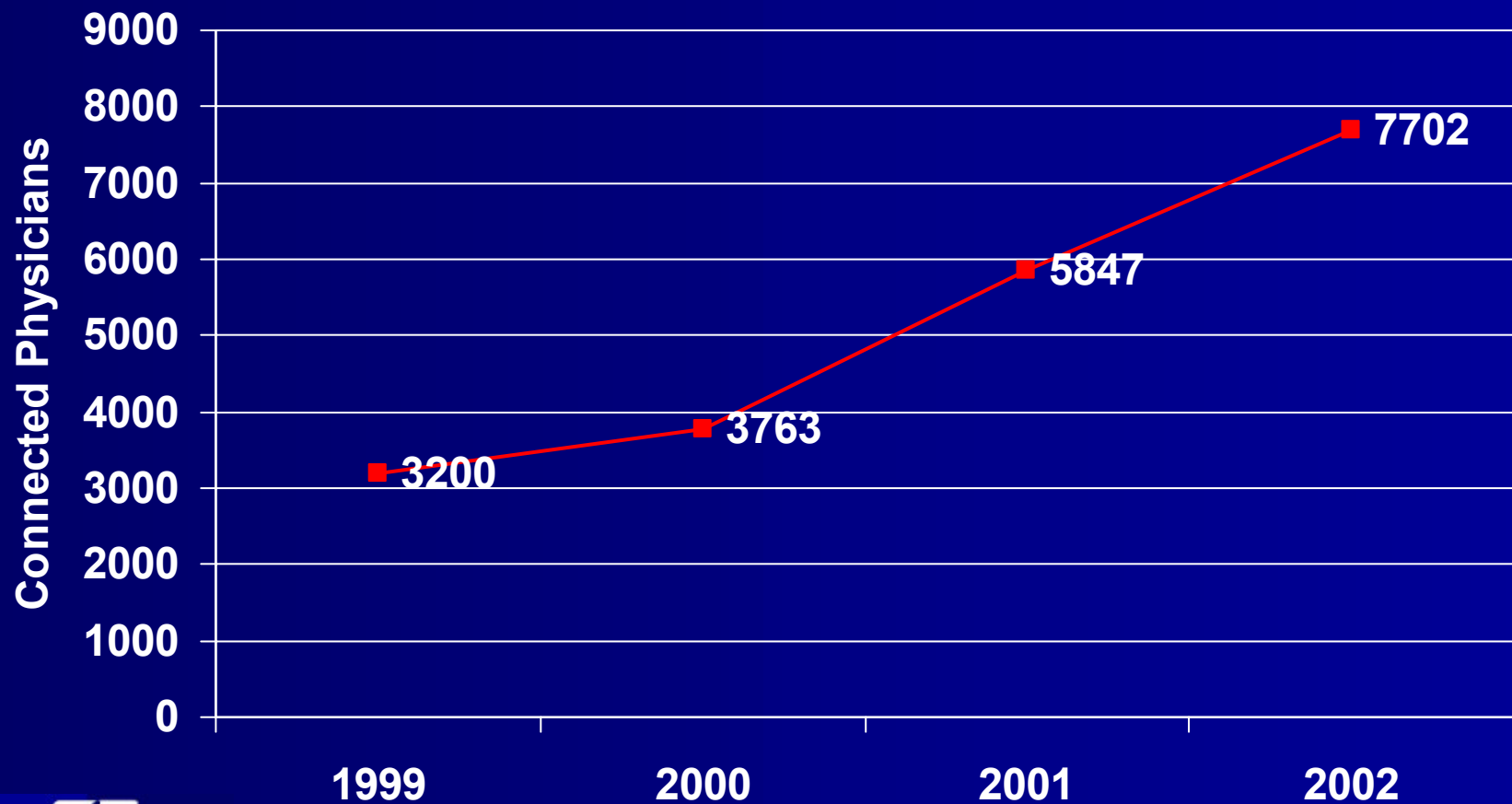
Hand-Held PDA



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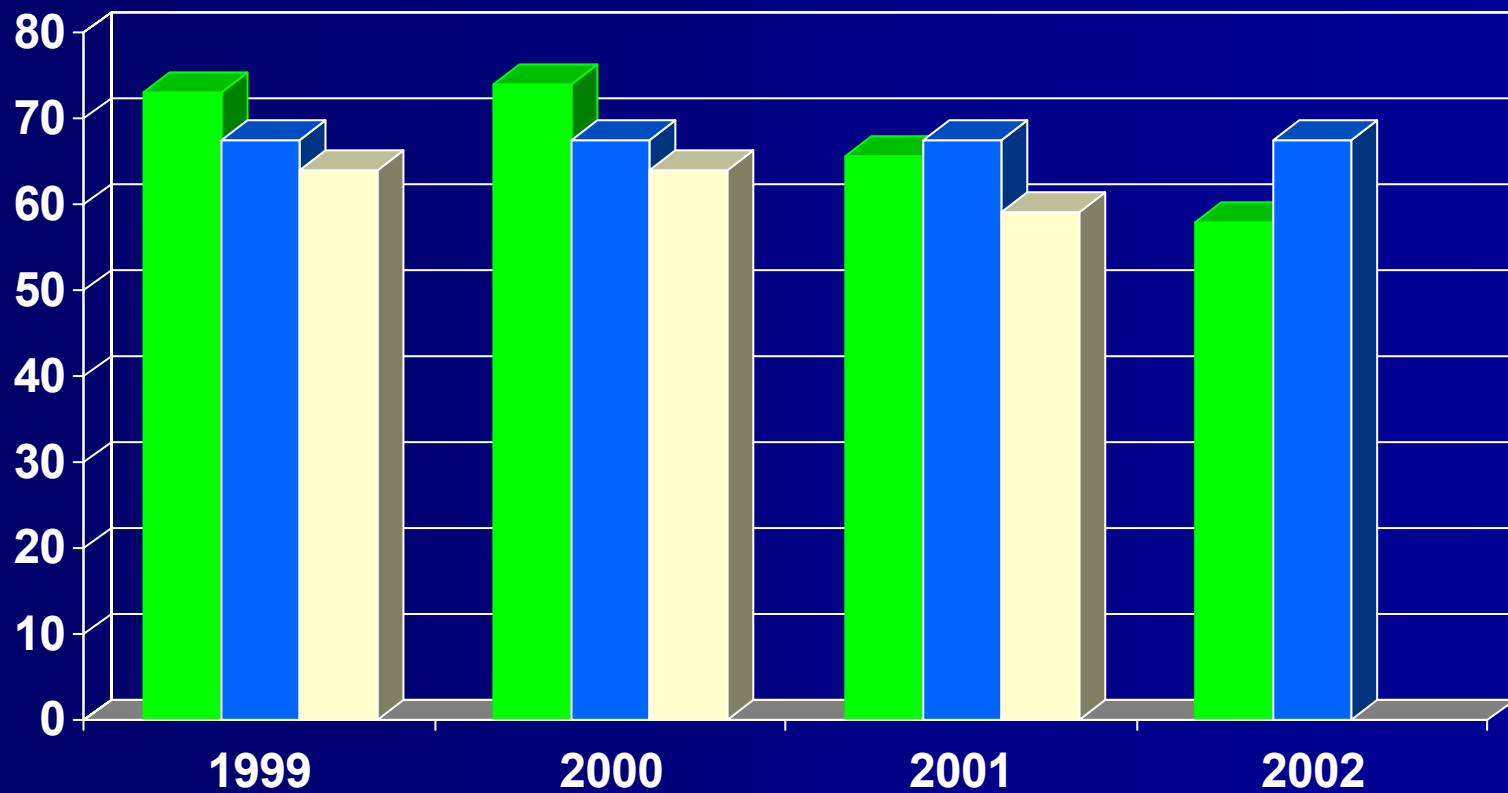


# Connected Physicians



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# Net Accounts Receivable



■ SSMHC Net AR ■ Comp AA ■ CHS



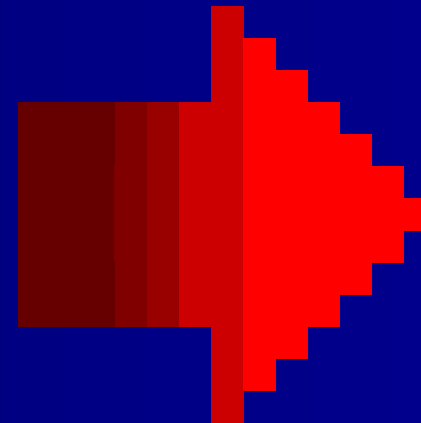
# Organizational Performance Results

- Measure what is important.
- Measure for effectiveness.
- Set and monitor in-process (leading) & outcomes (lagging) indicators.
- Continuously improve results.



# Summary

- Unwaivering Leadership Commitment
- Commitment to Employees
- Process Orientation



Results



# Contact Information

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